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Security Council

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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Letter dated 31 March 2004 from the Permanent Representative of the Democratic People's Republic of Korea to the United Nations addressed to the Chairman of the Committee

I have the honour to inform the Security Council Committee established pursuant to resolution 1267 (1999) of the following position and measures taken by the Government of the Democratic People's Republic of Korea on the implementation of Security Council resolution 1455 (2003).

It is the consistent and principled position of the Government of the Democratic People's Republic of Korea to oppose all forms of terrorism and support of terrorism.

The position of the Government of the Democratic People's Republic of Korea on counter-terrorism has been clearly stated on a number of occasions, including the statement made on 17 October 2003 to the Sixth Committee during the fifty-eighth session of the General Assembly under agenda item 156, entitled "Measures to eliminate international terrorism", its reports submitted to the Counter-Terrorism Committee established pursuant to Security Council resolution 1373 (2001) and its report on the implementation of Security Council resolution 1390 (2002) submitted on 12 June 2002 to the Committee established pursuant to resolution 1267 (1999).

The Government of the Democratic People's Republic of Korea has no relations at all with the Taliban and Al-Qaida or any other individuals, groups, undertakings and entities associated with them.

The list and sanctions on the Taliban and Al-Qaida and any other individuals, groups, undertakings and entities associated with them contained in Security Council resolution 1455 (2003) are forwarded to the organs concerned of the Democratic People's Republic of Korea.

In the Democratic People's Republic of Korea, there are no funds and other financial assets or economic resources belonging to the Taliban and Al-Qaida or any other individuals, groups, undertakings and entities associated with them.

04-29937 (E) 030504

The Government of the Democratic People's Republic of Korea has never permitted entry into and transit through its territory of the listed individuals or groups.

The Government of the Democratic People's Republic of Korea prohibits the direct and indirect supply, sale and transfer of arms and related materials of weapons and ammunition to the Taliban and Al-Qaida and any other individuals, groups, undertakings and entities associated with them.

To date, no information related to the Taliban and Al-Qaida or any other individuals, groups, undertakings and entities associated with them has been raised at all in the Democratic People's Republic of Korea, as already clarified in its report to the Committee on 12 June 2002.

I should be grateful if you would have the present letter circulated as a document of the Security Council.

(*Signed*) **Pak** Gil Yon
Ambassador
Permanent Representative

United Nations S/AC.37/2004/(1455)/25

Security Council

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31 March 2004

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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Note verbale dated 31 March 2004 from the Permanent Mission of Lithuania to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Lithuania to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities and has the honour to submit the report of the Republic of Lithuania in accordance with paragraph 6 of Security Council resolution 1455 (2003) (see annex).

04-29945 (E) 300404

Annex to the note verbale dated 31 March 2004 from the Permanent Mission of Lithuania to the United Nations addressed to the Chairman of the Committee

Report of Lithuania on the implementation of United Nations Security Council resolution 1455 (2003)

Report of the Republic of Lithuania on the implementation of United Nations Security Council resolution 1455 (2003)

I. Introduction

(Question 1) So far, no activities of the individuals or entities designated by the 1267 Committee have been observed in Lithuania. Presently the designated individuals or entities are not regarded as posing a direct threat to Lithuania.

II. Consolidated List

(Question 2) To implement UN Security Council resolutions imposing sanctions on individuals and entities designated by the 1267 Committee the Government of the Republic of Lithuania has adopted the following resolutions:

- To implement UNSCR 1267 (1999) the Government has adopted resolution No.1442 on 20 December 1999;
- To implement UNSCR 1333 (2000) and UNSCR 1373 (2001) the Government has adopted resolution No.1281 on 31 October 2001;
- To implement UNSCR 1388 (2002) and UNSCR 1390 (2002) the Government has adopted resolution No.820 on 4 June 2002.

The List of individuals and entities designated by the 1267 Committee was communicated by the Ministry of Foreign Affairs to all institutions responsible for the implementation of the above-mentioned Government resolutions. The Ministry of Foreign Affairs constantly informs them about additions to the List.

(Question 3) The Bank of Lithuania and Migration Department under the Ministry of Interior have noted that they encounter difficulties in identifying persons from the List due to insufficient information on names of individuals or entities.

(Question 4) So far, the Lithuanian authorities have not identified any of the individuals or entities designated by the 1267 Committee in Lithuania.

(Question 5) Lithuanian authorities are not aware of any individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List.

(Question 6) So far, no lawsuits or legal proceedings of such kind were initiated in Lithuania.

(Question 7) None of the individuals included in the List were identified as nationals or residents of Lithuania.

(**Question 8**) Chapter 5 of Article 250 "Act of Terrorism" in the Criminal Code of the Republic of Lithuania qualifies the founding a group of accomplices or an organised group for the actions listed in this article, involvement in the actions of and financing of this group, or providing material or other support thereto as a serious crime. Chapter 6 of the above article qualifies the founding of a terrorist group whose goals are intimidating people through the actions laid down in Article 250 of the Criminal Code, or raising an illegitimate demand that the state, a state institution or an international organisation carry out certain actions or refrain from them, as well as involving in and financing of the activities of such a group, or providing material or other support to such a group as an especially serious crime. Complicity (aiding and abetting), preparation for or an attempt to perform the above actions is also qualified as a crime.

III. Financial and Economic Assets Freeze

(**Question 9**) The Law on the Prevention of Money Laundering (latest amendments entered into force on 1 January 2004) gives the Financial Crimes Investigation Service under the Ministry of Interior a right to order credit and financial institutions to suspend a suspicious money operation for 48 hours. After this period ownership can remain restricted if legal proceedings have started.

Article 151 of the Code of Criminal Procedure provides for temporary limitation of ownership right. The measure may be imposed by decision of a prosecutor, in order to ensure an effective reaction by law enforcement institutions to a possible squandering of such property or transfer to other persons. Under Article 72 of the Criminal Code, the property liable to confiscation includes the instrument, means (including financial resources) or result of a crime.

Article 250 in the Criminal Code qualifies the founding a group of accomplices or an organised group for terrorist actions, involvement in the actions of and financing of this group, or providing material or other support thereto as a serious crime.

The aforementioned provisions create legal preconditions for temporary limitation of ownership right with respect to the persons who set up or finance terrorist organisations or actions, are involved in their activities, and aid and abet these actions, as well as with respect to other persons who have knowledge of or could and had to know that the property they possess is or could be used in performing the above actions. Accordingly, such kind of temporary limitation of ownership right may also be imposed on the persons who dispose legitimately of available resources that are not yet used specifically for terror acts but only for the founding or financing of a terrorist organisation.

To address shortcomings in implementation of international sanctions in Lithuania the Government has prepared Draft Law on Implementation of Economic and other International Sanctions. It is planned that the Draft Law would come into force before the date of our membership in the EU, i.e. before 1 May 2004.

(**Question 10**) The State Security Department and the Financial Crimes Investigation Service under the Ministry of Interior are the two main institutions responsible for

implementation of measures for the prevention of terrorism financing. According to the Law on the Prevention of Money Laundering the Financial Crime Investigation Service (FCIS) under the Ministry of Interior collects and examines the information about suspicious money operations. If an operation may be linked to terrorism financing, within 24 hours the FCIS communicates information about it to the State Security Department, which is coordinating institution[1] for combating terrorism and is responsible for the examination of intelligence related to financing of terrorism.

(Question 11) Article 10 of the Law on the Prevention of Money Laundering introduces the "know your customer" principle. It requires that credit and financial institutions establish identity of the customers when opening an account, accepting a deposit, providing with safe custody or other services, entering into business relations with the customer or conducting money operations with the value exceeding 50.000 Litas[2] or equivalent in foreign currency. A money operation shall be prohibited if the customer fails to provide data confirming his/her identity in the cases stipulated by this Law, provides only partial data or the provided data is false.

Government Resolution No.601 "On the approval of the Criteria in Observance Whereof a Money Operation is Considered Suspicious" of 15 May 2003 has established list of criteria of suspicious money operations, which have to be reported to the Financial Crime Investigation Service (FCIS) under the Ministry of Interior. One of the criteria is directly related to prevention of terrorism financing: an operation is qualified as suspicious, when data identifying the customer, the representative of the customer or the subject on behalf of whom the money operation is being conducted corresponds to the data provided in the lists communicated by law enforcement institutions of foreign countries or international organizations.

To implement the Government Resolution No.601 Board of the Bank of Lithuania on 29 May 2003 adopted its respective Resolution No.52 amending its previous Resolution No.122 "On Approving the Criteria for Determining whether the Monetary Operation is Suspicious".

(Question 12 and 13) So far, no assets relating to the persons and entities designated pursuant to UNSC resolutions 1267 (1999), 1333 (2000) and 1390 (2002) have been frozen in Lithuania.

(Question 14) On 24 October 2002 Board of the Bank of Lithuania adopted Resolution No.134, which approved Methodological Recommendations for Credit Institutions. Paragraph 15 of the Recommendations advises credit institutions to pay special heed to the following in the process of checking identity of their customers:

1) To customers who come from the countries placed on FATF-compiled list of non-cooperative states and territories, and to the monetary transactions conducted by these persons or in favour of them (for an updated list of non-cooperative states

[1] Decision No.25 of the State Defense Council of 19 September 2001
[2] 3,45 Litas equals to 1 EUR

and territories credit institutions are referred to the FATF official homepage http://www.fatf-gafi.org);

2) To the fact whether a customer of a credit institution is not included in the UN SC list of the persons related to terrorism (for an updated list credit institutions are referred to the UNSC official homepage http://www.un.org/Docs/sc/committees).

The control mechanism for the organisations seeking or claiming that they seek charity-social goals is laid down in the Law on Charity and Sponsorship. Article 12 of the Law defines the charity and sponsorship accounting, prescribing the obligation for both suppliers and recipients thereof to conduct accounting and submit data to territorial tax inspectorates. Article 13 of the Law identifies the institutions in control of charity and sponsorship activities and competence thereof. Article 15 prescribes the procedure for annulling the status of a sponsorship recipient upon recommendation of a control institution. This law excludes specific provisions related to the financing of terrorism.

The Bank of Lithuania does not possess information about the existence of informal banking systems in Lithuania. Article 3 of the Law on Commercial Banks stipulates that it shall be prohibited to engage in banking activities without a license of the Bank of Lithuania. Article 43 of the Law provides for that it shall be prohibited to engage in the activities of credit institution without a license or permit of the Bank of Lithuania.

IV. Travel Ban

(Question 15 and 16) In accordance with the Law on the Legal Status of Aliens, Migration Department under the Ministry of Interior maintains Database of undesirable aliens who are denied entry into the Republic of Lithuania.

Pursuant to the Government Resolutions No.1787 "On approving the procedure for drawing up, administering and using the list of aliens who are prohibited from entering into the Republic of Lithuania" of 13 November 2002 and No.820 "On measures to implement UN Security Council resolution" of 4 June 2002 all individuals designated by the 1267 Committee are included in the national Database of undesirable aliens.

(Question 17) The Database of undesirable aliens, which includes individuals designated by the 1267 Committee, is an integral part of the Information System of the State Border Guard Service and is directly accessible in electronic form at all entry points.

(Question 18) So far, none of the designated individuals were identified at the Lithuanian borders.

(Question 19) In accordance with Resolution No.1787 of the Government of the Republic of Lithuania of 13 November 2002, Ministry of Foreign Affairs is one of the institutions, which has access to the Database of undesirable aliens. Information contained in the Database is transmitted to our Embassies and Consular offices in electronic form every 2 weeks.

V. Arms Embargo

(**Questions 20, 22 and 23**) In Lithuania, the ban imposed by the UN Security Council on supply, sale and transfer of arms and related material to Usama bin Laden, members of Al-Qaida organization and the Taliban is implemented by the Government Resolutions No.1281 of 31 October 2001 and No.820 of 4 June 2002.

Lithuania's export control system is based on the Law on Control of Import, Transit and Export of Strategic Goods and Technologies (came into force on 1 July 1997). The latest amendments to the Law were passed on 5 July 2002 in order to align the national export control system with the EU and other international export control standards.

The Law on Control of Import, Transit and Export of Strategic Goods and Technologies sets that import, transit or export of controlled strategic goods and technologies, which are included in the List of Strategic Goods approved by the Government, requires a license of the Ministry of Economy.

The procedures for license issuance, as well as administrative guidelines for implementation of export, import and transit control are established by the Government Resolution No.380 "On Implementation of Export, Import, and Transit Control and Order of Licensing Procedures" on 27 March 2003.

The List of Strategic Goods was approved by the Government Resolution No.1390 "On Approval of Lists of Controlled Strategic Goods and Technologies" on 20 November 2001. It consists of two parts:

a) The list of dual goods and technologies, which is close translation of Annex I of the EU Council Regulation No.1344/2000 setting up Community regime for the control of exports of dual-use items and technology;

b) The list of military equipment, which is close translation of the EU Common list of military equipment covered by the EU Code of Conduct on Arms Exports.

The Law on Control of Import, Transit and Export of Strategic Goods and Technologies provides for that a license has to be obtained even for import, export or transit of goods that are not on the List of Strategic Goods, when:

- The competent authority (The Ministry of Economy) has informed the exporter that the goods are or may be intended for use in connection with the WMD;
- The purchasing country or the country of destination is subject to UN or EU arms embargo and the goods are or may be intended for use in production of goods listed in the military equipment list;
- The exporter has grounds for suspecting that the goods are intended for use for military purposes; in this case the exported is obliged to inform the Ministry of Economy.

To decide whether or not to grant an export licence, the competent authority (The Ministry of Economy) shall take into account the following:

- Obligations and commitments that the Republic of Lithuania has assumed by ratifying relevant international treaties;

- The national foreign policy and national security interests;
- Requirements of the European Union Code of Conduct on Arms Exports;
- International non-proliferation regimes and export control arrangements;
- Considerations about intended end-use and the risk of diversion.

According to the Law on Control of Import, Transit and Export of Strategic Goods and Technologies, the Government or the institution authorized by it draws up and approves the list of states whereto export or carriage in transit of strategic goods and the list of states wherefrom import or carriage in transit of strategic goods is prohibited, taking into account the following:

- Sanctions imposed by decisions of the Security Council of the UN;
- Sanctions imposed by decisions of the EU and the OSCE;
- Ratified relevant international treaties of the Republic of Lithuania;

The national foreign policy, national security, national defence and economic interests.

The Government authorised the Minister of Foreign Affairs to announce the list of countries subject to embargo. The list of states whereto export or carriage in transit of strategic goods is prohibited and the list of states wherefrom import or carriage in transit of strategic goods is prohibited were approved by Minister of Foreign Affairs Order No.173 on 23 December 2002, as last amended by Minister of Foreign Affairs Order No 100 adopted on 12 June 2003.

(Question 21) Article 199 of the Penal Code of the Republic of Lithuania provides for that carriage through the customs border of the Republic of Lithuania of firearms, ammunition, explosives, radioactive substances or other strategic goods without a required permit shall be punishable by imprisonment up to eight years.

Article 189 (9) of the Code of Administrative Offences of the Republic of Lithuania provides for that import, export and transit of strategic goods and technologies without a required license shall inflict upon a person or a head of an enterprise a fine of 5.000 to 10.000 Litas.

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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Note verbale dated 31 March 2004 from the Permanent Mission of Armenia to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Armenia to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities, and with reference to his note of 10 March 2004, has the honour to forward the attached report pursuant to Security Council resolution 1455 (2003) (see annex).

04-29846 (E) 270404

Annex to the note verbale dated 31 March 2004 from the Permanent Mission of Armenia to the United Nations addressed to the Chairman of the Committee

Report of the Republic of Armenia pursuant to Security Council resolution 1455 (2003)

I. Introduction

1. Please provide a description of activities, if any, by Usama Bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.

No data have been received so far regarding activities of Usama bin Laden, Al-Qaida, the Taliban and their associates on the territory of Armenia. Considering the small number of Muslim population in Armenia there are no Islamic religious or charitable foundations operating in the country that might be associated with Al Qaida or Taliban. Nevertheless, the geographic location and the possibility of the existence of Al Qaida and Taliban and their associates in some of its neighbouring countries make the campaign against terrorism an urgent priority for the authorities of Armenia. The Government is aware of the threats to international peace and security caused by terrorism, and has adopted the necessary measures to comply with the Security Council resolutions. In this regard, the Government of Armenia actively collaborates with the Counter-Terrorism Committee, with a view to providing information regarding domestic measures to implement the Security Council resolutions on terrorism in an effective manner.

II. Consolidated List

2. How has the 1267 Committee's List been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?

The Ministry of Foreign Affairs systematically submits the updated Consolidated List to the competent authorities – Police, National Security Service, National Bank, National Border Guard Service etc. – which further transmit the information to all their relevant bodies.

3. Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the List? If so, please describe these problems.

No problems have been observed by the competent Armenian authorities during the implementation with regard to the names and identifying information currently included in the List.

4. Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.

In accordance with the information provided by the Police, National Security Service and Office of Prosecutor General and other competent authorities of Armenia, to date, no individuals or entities included in the consolidated list have been identified on the territory of Armenia.

5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.

No data are available about any individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida.

6. Have any listed individuals or entities brought lawsuit or engaged in legal proceedings against your authorities for inclusion in the List?

No lawsuit has been brought or legal proceedings initiated against the official authorities in Armenia by any of the listed individuals or entities.

7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.

None of the listed individuals has been identified as nationals or residents of Armenia. No information is available about individuals not already included in the List.

8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals

from participating in Al-Qaida training camps established in your territory or in another country.

According to the *Criminal Code* of Armenia, the formation, leading of and participation in the armed gangs (Article 222), the formation, leading of and participation in the illegal armed groups (Article 224), the mercenarism (Article 395) are criminally punishable acts.

More detailed information has been provided in the first (S/2002/162), second (S/2003/146) and third (S/2003/1044) reports of Armenia to the Counter-Terrorism-Committee. Please, see also the pages 7-8 of third report (S/2003/1044).

III. Financial and Economic Assets Freeze

9. Please describe briefly:

• the domestic legal basis to implement the asset freeze required by the resolutions above;

• any impediments under your domestic law in this context and steps taken to address them.

Law on the Central Bank, Law on Banks and Banking and Law on Credit Institutions grant the Central Bank of Armenia an authority to freeze the accounts of the persons suspected in flow of illegal assets or financing of terrorism. According to the Regulation No.5 "Safeguarding Banks and Credit Organisations from Circulation of Criminally Obtained Funds and Prevention of Financing of Terrorism", the banks or credit organisations should report to the Central Bank within one working day if the account owners or a party involved in banking operations are suspected in flow of illegal assets or financing of terrorism.

More detailed information has been provided in the second (S/2003/146) and third (S/2003/1044) reports of Armenia to the Counter-Terrorism-Committee.

10. Please describe any structures or mechanisms in place within your Government to identify and investigate Usama bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction.

Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.

The fight against international terrorism is carried out by a specialised operational unit within the National Security Service. A special attention is attached to the identification of terrorist-related financial networks, individuals, or entities associated with them. With this aim, appropriate cooperation is carried out with the relevant authorities in Armenia, the CIS Counter-Terrorism Centre as well as with other foreign partners.

11. Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Usama bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.

According to the *Regulation No.5 "Safeguarding Banks and Credit Organisations from Circulation of Criminally Obtained Funds and Prevention of Financing of Terrorism"* adopted by the Central Bank, the circulation of criminally obtained funds and sources for funding terrorism in banks or credit organizations is prohibited. Banks and credit organization must have internal regulations (rules, procedures, orders, regulations) in place for preventing circulation of criminally obtained funds and sources for funding terrorism as well as for due diligence to record and keep information on customers, and to collect, record and maintain information on suspicious transactions.

Such internal regulations shall define:

a) the procedures required to perform by bank or credit organization units and employees in carrying out financial and other operations with bank or credit organization customers, creditors or partners;

b) the information the bank or credit organization would require from customer, creditor or partner in carrying out financial and other operations;

c) the procedure and conditions of exercising control over adherence to procedures and requirements set forth in internal regulation;

d) the scope of responsibility of bank management, staff and authorized unit or employee, for non-adherence to procedures and requirements set forth in internal regulations, under Armenian Law and bank's internal regulations.

Banks and credit organizations must have assigned a unit (e.g. legal or security department) or an employee, to deal with prevention of circulation of criminally obtained funds and sources for financing of terrorism.

Information collected by bank or credit organization on customer, creditors or partners, and other such data relating to suspicious transactions carried out by such customers shall be held by bank or credit organization in paper-based and/or electronic means at least for a five year period.

If a customer, creditor or partner acts as an agent, representative or an authorized party for another person, bank or credit organization must identify the true beneficiary of that banking account and verify the information relating to such agent, representative or authorized party, as required by its internal procedures. Such an account may be established once required information is obtained and appropriate records are made. If a customer, creditor or partners is a legal entity registered and/or operating in an offshore country or area, or a party with a non-legal entity status, or a sole entrepreneur, the bank or credit organization must identify sources of income of such parties, as required by its internal procedures.

Banks and credit organization must, in internally defined frequency and manner, verify information that has been required from customers, creditors or partners in concluding financial or other operations.

On the decision of the Central Bank, banks and credit organizations must halt the operations carried out through the accounts the owners of which are suspected in circulation of criminally obtained funds or funding for terrorism.

12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities." Please provide a list of the assets that have been frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2000) and 1390 (2002). Please include, to the extent possible, in each listing the following information:

• identification(s) of the person or entities whose assets have been frozen;

• a description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);

• the value of assets frozen.

No assets have been revealed or frozen pursuant to resolution 1455 (2003) as well as resolutions 1267 (1999), 1333 (2000) and 1390 (2002) in Armenia.

13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Usama Bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.

No funds, financial assets or economic assets had previously been frozen as being related to Usama Bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities in Armenia.

14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to Listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities. This section should include a description of:

• The methodology, if any, used to inform banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of Al-Qaida or the Taliban. This section should include an indication of the types of institutions informed and the methods used.

• Required bank-reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated.

• Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated.

• Restrictions or regulations, if any, placed on the movement of precious commodities such as gold, diamonds and other related items.

• Restrictions or regulations, if any, applicable to alternate remittance systems such as -- or similar to -- "hawala", as well as on charities, cultural and other non-profit organizations

engaged in the collection and disbursement of funds for social or charitable purposes.

Bank or credit organizations must report on suspicious transactions to the bank supervision unit of the Central Bank not later than the banking day following occurrence of the suspicious transaction. More detailed information has been provided in the first (S/2002/162), second (S/2003/146) and third (S/2003/1044) reports of Armenia to the Counter-Terrorism-Committee.

IV. Travel Ban

15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.

The National Border Guard Service implements the border control at entry and exit of Armenian and foreign nationals from and into the territory of the country and the Police exercises administrative control over the stay of foreigners in Armenia.

The National Security Service upon the information received from Armenian state agencies and foreign counterparts maintains the database to prevent the persons connected to terrorist activities or wanted persons from entering into Armenia. The individuals that have been included in the information database are denied of visas, or entry into the country. Regularly updated lists are forwarded to the relevant agencies – including the National Border Guard Service, Passport and Visa Department of Police, Consular Department of the Ministry of Foreign Affairs.

16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.

The Consolidated List has been incorporated into the border checkpoints list and other databases of the relevant state agencies including the one maintained by the National Security Service. In this regard no problems have been encountered.

17. How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?

The updated List is transmitted to the relevant authorities on a quarterly basis, in conformity with its updates by the Security Council.

Nonetheless, since not all border check points have online connections, searching data by electronic means is not possible at all entry points.

18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.

No individuals designated in the consolidated list have been detected at any of Armenia's border checkpoints.

19. Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your Consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?

The Passport and Visa Department of Police and the Consular Department of the Ministry of Foreign Affairs coordinate their work in relation to the issuance by the Ministry of consular visas and residence permits. Accordingly, the Consular Department of the Ministry of Foreign Affairs has access to the restrictive database mentioned above.

No visa applicant was identified by the visa-issuing authorities of Armenia as individuals included in the 1267 Committee List.

V. Arms Embargo

20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?

The relevant legislation, effective export and license controls are in place in Armenia for the prevention of the direct or indirect sale or transfer of arms, related materials and spare parts to the members of international terrorist organizations (including Usama Bin Laden, members of Al-Qaida organization and the Taliban) by the citizens of Armenia from Armenia or other country. Particularly, the manufacture, sale, transfer and possession of arms and armaments on the territory of Armenia as well as any transaction in weapons are regulated by the *Law on Arms* and *Regulation on Licensing in Armenia* and falls within the

authority of the Government, the Ministry of Interior, Administration of Statistics and Certification.

The import and export of civil and service weapons and ammunitions are subject to special permission of the republican body of Police. The import of arms and armaments is carried out by juridical entities with special license for the sale of arms and armaments, while the export is carried out by the juridical entities with special license for the manufacture of arms and armaments. The import and export of arms and armaments by other entities could be executed only in accordance with special procedure established by the Government.

For additional information please see answers to the questions under subparagraph 2(a) of the second report of Armenia to the Counter-terrorism Committee (S/2003/146).

21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?

The violation of the arms embargo constitutes a crime within the meaning of the Penal Code. Thus, Article 234 incriminates the illegal acquisition, sale, transfer and holding of the arms, armament, explosives, while Article 234 incriminates the illegal circulation of radioactive materials.

No special measures have been adopted specifically for Usama Bin Laden, the members of Al-Qaida and the Taliban and other individuals, groups, undertakings and entities associated with them.

22. Please describe how your arms/arms broker licensing system, if any, can prevent Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.

As it was mentioned above, according to the *Law on Arms* and *Regulation on Licensing in Armenia*, the import and export of arms and armament is subject to a special permission and licensing by the Police. Only juridical entities meeting the set requirements of reliability and stability are eligible to be licensed. In practice it is impossible to issue licences to companies which are in any way related to terrorist activities or support or finance such activities.

23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by

Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?

Please refer to the answer to question 20.

VI. Assistance and conclusion

24. Would your state be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.

The Government of Armenia stands ready to provide assistance to other States, from the perspective of sharing available information on the matter.

25. Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and where you believe specific assistance or capacity building would improve your ability to implement the above sanctions regime.

The Taliban/al-Qaida sanctions regime is implemented in full, in conformity with the principles of the Armenian legislation and relevant international law. No areas of incomplete implementation were identified.

No specific assistance is required for the implementation of the above-mentioned sanctions regime except the general assistance for the capacity building for effective counter-terrorist campaign. The list of assistance needed is currently updated and would be included in the fourth report of Armenia to the Counter-Terrorism-Committee.

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Security Council

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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Letter dated 31 March 2004 from the Permanent Representative of Eritrea to the United Nations addressed to the Chairman of the Committee

I have the honour to forward a note verbale addressed to you from the Ministry of Foreign Affairs of the State of Eritrea concerning the report on Al-Qaida and the Taliban pursuant to paragraph 6 of resolution 1455 (2003) (see annex).

(*Signed*) Ahmed Tahir **Baduri**
Ambassador
Permanent Representative

04-29951 (E) 030504

Annex to the letter dated 31 March 2004 from the Permanent Representative of Eritrea to the United Nations addressed to the Chairman of the Committee

Note verbale from the Ministry of Foreign Affairs of Eritrea to the Chairman of the Committee

The Ministry of Foreign Affairs of the State of Eritrea presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities and has the honour to attach herewith the State of Eritrea's report prepared pursuant to paragraph 6 of resolution 1455 (2003) (see enclosure).

Enclosure

I. Introduction

The threat imposed by associates of Usama Bin Laden, Al Qaida and the Taliban is related to support given directly and indirectly to said terrorist elements interfacing with fundamentalist Islamic movements by neighbouring countries of the State of Eritrea.

Indeed the heinous massacre of five Belgians on December 27, 1996 and the savagery act reflected in the manner of assassination of the late British National Mr. Timothy Nut on April 12, 2003 by terrorist elements infiltrating from the said neighbouring countries in remote areas within the sovereign territory of the State of Eritrea are most notable incidents.

In this regard the CNN International News Release of August 19, 2002 titled" Terror on Tape" which indicated that the State of Eritrea is one of the thirty seven countries of the world targeted by Al-Qaida and Bin Laden's networks is to be noted as well.

In light of the above facts, the State of Eritrea has been strengthening its control to prevent any infiltration of terrorists.

II. Consolidated List

2. The 1267 committee's List has been corroborated in our Administrative Structures by including, inter alia, the names of the listed individuals in our check point list.

III. Financial and Economic Assets Freeze

12. There has not been any asset frozen in accordance with this resolution.

13. There has not been any asset unfrozen.

14. As capacity building is an important precondition in devising strategies of prevention and suppression of financing of terrorism, the state of Eritrea has been actively participating in international conferences that dealt with economic crimes. For details see the response given to question 1(a) in the Eritrean report forwarded to the Counter Terrorism Committee(CTC) under resolution 1373(2001) dated 12/12/2002 [hereafter referred as the Eritrean 2002 Report to CTC].

The substantive penal law provisions of the Penal Code of the State of Eritrea that would cover the offence of financing terrorism and the attendant penalties have also being outlined in the said report. See: Responses to questions 1(a & b) provided in the Eritrean 2002 Report to CTC.

Furthermore the Eritrean 2002 Report to CTC elaborates on the existence of legislative measures to monitor the financial transactions of entities

established under the Eritrean Civil Code and the consequent criminal liabilities involving members of said entities in situations where obligations of reporting financial statements are not met and in circumstances of illegal diversion of funds as well as the existence of the law that insures the transparency of financial records of religious institutions. See: Responses to questions 1(b, c & d) provided in the Eritrean 2002 Report to CTC.

The fact that relevant penal provisions covering terrorism come, as described in detail in response to question 2(a) provided in the Eritrean 2002 Report to CTC, within the framework of serious offences as prescribed by the Penal Code of the State of Eritrea that militate against public peace and order partaking the nature of terrorism such as the formation of secret societies and armed bands; trafficking in arms; possessing of weapons and explosives by private individuals, harboring and assisting bands or associations formed to commit offences against the public, individuals or property; arson; explosions and grave endangering or sabotage of communications or transport entailing punishments commensurate to their gravity which may result in imprisonment for life or capital punishment in aggravated circumstances. As for the particular articles and general explanation of same refer to the part of the Eritrean 2002 Report to CTC cited above.

As for the efforts of the State of Eritrea in view of combating terrorism regionally and internationally it is exemplified in answers given to questions 2(f). 3(d & e) and paragraph 4 as embodied in the Eritrean 2002 report.

IV. **Travel Ban**

15. The incorporation of the committee's list has already been referred in II (2). In this connection it is to be mentioned that this measure has been taken under the rules provided in the Immigration Law issued under Proclamation N0-24/1992 of the State of Eritrea which consist of rules that help to combat terrorism as specified in chapter 3 and 5 of the Proclamation. As to details consisting of relevant provisions of the immigration law concerning the regulation of entry see Responses to question 2(c) provided in the Eritrean 2002 Report to CTC.

As per the regulation of entry, the above said Proclamation empowers the Minister via Article 6 and 10 to specify ports of entry or departure to and from Eritrea. This has been implemented through legal notice No. 4/1992.

16. Responses given in relation to II 2 and IV 15 equally apply here.

17. We are in the process of computerising the work related to search listing electronically.

V. **Arms Embargo**

The response provided in relation to illegal trafficking of arms under in connection with III 14 equally applies to this section

VI. **Assistance**

25. As a state in transition assistance in equipment that enhance our computerised work would indeed promote our efficiency using electronic means in search listing the listed individuals.

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Letter dated 31 March 2004 from the Permanent Representative of Somalia to the United Nations addressed to the Chairman of the Committee

In compliance with paragraph 22 of resolution 1526 (2004) of the Security Council, I have the honour to submit herewith an interim report by the Transitional National Government of Somalia and requests for assistance relevant to the above-mentioned Security Council resolution (see annex).

(*Signed*) Ahmed Abdi **Hashi**
Ambassador
Permanent Representative of the
Somali Republic to the United Nations

04-30270 (E) 220404

Annex to the letter dated 31 March 2004 from the Permanent Representative of Somalia to the United Nations addressed to the Chairman of the Committee

Interim Report of the Government of Somalia regarding the implementation of Security Council Resolution 1267 of 1999 and other relevant Security Council Resolutions.

I have the honor to refer to the requirement stipulated in paragraph 22 of Security Council resolution 1526 of 2004 (S/Res/1526/2004) requesting inter alia "that all states that have not submitted these reports to explain in writing to the Committee by 31 March 2004 their reasons for non-reporting."

I would like to draw the attention of the Committee that the Somali Government submitted its first report (S/2001/1287) and signed the International Convention for the Suppression of the Financing of Terrorism. In the interim, the Transitional National Government of Somalia has:

- Identified, registered and investigated the legal status of foreigners living in Mogadishu with a view to finding whether these foreigners had any links with Al-Qaida/Taliban;
- Cooperated bilaterally with some member states by providing lists and profiles of foreign residents in Mogadishu for background security checks against existing data bases;
- facilitated a forensic auditing of Albarakat's accounts at its Headquarters in Dubai, United Arab Emirates;
- Shared useful intelligence with some member states of the anti-terrorism coalition and finally the high level Anti-Terrorism Task Force, chaired by the Minister of Interior continues to monitor any potential activities by Al-Qaida

The above activities clearly indicate the Transitional National Government's firm commitment to stand and cooperate with the international community in the global fight against terrorism. In this connection, the Transitional National Government reaffirms its unequivocal and clear position which is anchored in its firm policy of

rejecting the use of terrorism as a means of achieving political goals, irrespective of any argument advanced, pretext invoked or label given.

The Somali authorities attach great importance to the Committee's List of individuals and entities associated with Al-Qaida/Taliban and will make every effort to impose the mandated sanctions.

However, our determination to submit a report in accordance with the Committee's guidelines and timeframe, has been severely constrained by the current political reality in Somalia and the limited capacity of the Transitional National Government.

The Committee is no doubt aware of the state of affairs currently prevailing in Somalia. The Transitional National Government of Somalia inherited destroyed institutions and devastated infrastructure. Little help was available to rehabilitate destroyed institutions and infrastructure, which in turn restricted The Transitional Government's ability.

Furthermore, the Committee is aware of the ongoing IGAD sponsored Peace Conference in Kenya aimed at establishing Interim Government of national unity. The Conference continues.

The Transitional National Government needs urgent and adequate assistance by the Committee to enable it to comply fully with Security Council resolutions 1267 (1999), 1373 of 2001, 1526 of 2004 and other relevant resolutions. This assistance can be directed towards:

- Active political support by the Security Council for the creation of an-all inclusive government of national unity for Somalia which can exert total territorial control over Somalia instead of a vacuum which Al-Qaida/Taliban may endeavor to exploit;
- Strengthening the institutional capacity of administrative structures including police, immigration/border and customs controls. Such support would have facilitated the incorporation and inclusion of the Committee's List within our legal system;

- Establishing/strengthening financial institutions that are transparent which will monitor transactions with a view to ensuring the freezing of any assets that may belong to individuals and entities in the List;
- Providing much needed expertise in the legal field to ensure the compatibility of national legislation with the requirements of relevant anti-terrorism Security Council resolutions;
- Strengthening the capacities of police and intelligence forces as well as the Anti-Terrorist Task Force to enable the Transitional National Government to identify and investigate any group(s) that may provide support to Al Qaida/Taliban;
- Assisting in the establishment of an effective border control systems in Somalia to prevent the entry into or transit through the territory of Somalia of individuals listed by the Committee;
- Strict enforcement of the Arms Embargo on Somalia established pursuant to Security Council resolution 751 of 1993 and subsequent resolutions and by imposing sanctions on the violators of these resolutions. Such strict enforcement of the Arms Embargo on Somalia would prevent Al Qaida and Taliban to attempt, directly or indirectly, to acquire any weapons from Somalia.

The above-mentioned are but some areas where the Transitional National Government of Somalia would need immediate assistance in order to comply with Security Council resolutions on combating terrorism. The Transitional National Government will submit to this Committee and the Counter Terrorism Committee a detailed request for assistance in order to enhance its capacity to contribute actively and vigorously to the global fight against this scourge of terrorism. Furthermore, the Transitional National Government of Somalia reiterates its readiness to cooperate with this Committee in any possible manner and will endeavor to submit the required reports in a timely fashion in the future.

Finally, The Transitional National Government of Somalia expresses the hope that the Committee will take into consideration its unique position.

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Note verbale dated 31 March 2004 from the Permanent Mission of Belize to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Belize to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and has the honour to transmit the report submitted by the Government of Belize pursuant to paragraphs 6 and 12 of Security Council resolution 1455 (2003) (see annex).

04-30631 (E) 040504

Annex to the note verbale dated 31 March 2004 from the Permanent Mission of Belize to the United Nations addressed to the Chairman of the Committee

REPORT OF THE GOVERNMENT OF BELIZE PURSUANT TO PARAGRAPHS 6 AND 12 OF UN SECURITY COUNCIL RESOLUTION 1455 (2003)

The Government of Belize is mindful of its obligations as a Member State of the United Nations to fully implement Security Council resolution 1455 (2003), especially in regard to any member of the Taliban and the Al-Qaida organizations and any individual, group, undertaking or entity associated with the Taliban or the Al-Qaida organization who have assisted in the financing, planning, facilitating, preparing and perpetrating of terrorist acts or in assisting terrorists.

The Government of Belize is also mindful of its additional obligation under resolution 1455 (2003) to facilitate the implementation of counter-terrorism obligations in accordance with relevant Security Council resolutions.

The present report is submitted to the Security Council Committee established pursuant to resolution 1267 (1999) in compliance with paragraph 6 of the Security Council Resolution 1455 (2003).

I. Introduction

1. To date, Belize has neither received any report nor otherwise discovered any evidence of activities within Belize of Usama Bin Laden, members of the Taliban and Al-Qaida organizations, or any individual, group, undertaking or entity associated with any of them. Accordingly, there does not appear to be any clear or present threat posed by any of the aforementioned to Belize or to the region.

II. Consolidated List

2. The Ministry of Foreign Affairs, Defence and National Emergency Management has notified law enforcement authorities, immigration officials, customs officials, the International Financial Services Commission and the International Merchant Marine Registry of the website address for the 1267 Committee's List. The List is also forwarded to the various financial institutions, the Governor of the Central Bank of Belize and the Director of the Financial Intelligence Unit. The Financial Intelligence Unit was established

pursuant to s. 3 of the ***Financial Intelligence Unit Act***[1] for the better investigation and prosecution of money laundering and other financial crimes and to provide for the performance by the Unit of the functions of the Supervisory Authority under the ***Money Laundering (Prevention) Act***.[2] Additionally, the Ministry also circulates hard copies of the list when it considers it necessary.

As reported in Belize's submissions to the Counter Terrorism Committee[3] in response to Security Council Resolution 1373 (2001), Belize amended its ***Money Laundering (Prevention) Act*** in 2002[4] to make improved provisions to combat "terrorism", to provide for the freezing of funds and other financial assets of terrorists, and to facilitate international cooperation in the investigation and prosecution of money laundering offences.

Section 11A of the amended Act provides for the freezing of funds of persons who commit or attempt to commit, or who facilitate or participate in or finance acts of terrorism – or of any person who is controlled directly or indirectly by, or who acts on behalf or at the direction of the first-mentioned person.

Notably, section 23(6) of the ***Money Laundering (Prevention) Act***, as amended, empowers the Supervisory Authority with the authority to take any appropriate action, including the freezing of funds and other financial assets or economic resources of any person "to comply with or give effect to a resolution of the Security Council of the United Nations adopted under Chapter VII of the United Nations Charter." Thus, relevant Security Council Resolutions could also form the basis for the freezing of funds connected with terrorism.

3. There have been no reports of problems with the implementation of the List of names and identifying information as currently included in the said List.

4. To date, the relevant authorities in Belize have not identified any of the designated individuals or entities within the country of Belize.

5. At this time, Belize does not know of any name of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida which have not been included in the List.

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[1] Financial Intelligence Unit Act, No. 35 of 2002.
[2] Chapter 104 of the Substantive Laws of Belize, Revised Edition 2000, see Part III. The laws of Belize can be downloaded from www.belizelaw.org.
[3] Published as documents S/2001/1265, S/2003/485 and S/2003/1042.
[4] The Money Laundering (Prevention) (Amendment) Act, No. 5 of 2002.

6. None of the listed individuals or entities have brought any lawsuit or engaged in legal proceedings against any Belizean authority for the inclusion of their names on the List.

7. Belizean authorities have not identified any of the listed individuals as nationals or residents of Belize. Accordingly, Belize has no further information to submit.

8. As indicated in Belize's second report to the Counter Terrorism Committee contained in document S/2003/485, Belize does not have legislation which specifically prohibits recruitment by terrorist groups within Belize. Nevertheless, the ***Criminal Code*** of Belize[5] makes provisions for the legal proceedings against persons found guilty of seditious libel, seditious assembly, unlawful military training and causing public terror.

III. Financial and Economic Assets Freeze

Under the sanctions regime (paragraph 4(b) of resolution 1267 (1999) and paragraphs 1 and 2(a) of resolution 1390 (2002), States were required to freeze without delay the funds and other financial assets or economic resources of the listed individuals and entities, including funds derived from property owned or controlled, directly or indirectly, by them or by persons acting on their behalf or at their direction, and to ensure that neither these nor any other funds, assets or resources are made available, directly or indirectly, for the benefit of these persons, by their nationals or by any person within their territory.

9. The domestic legal basis for the freezing of funds as required by the sanctions regime imposed by resolutions 1267 and 1390 (outlined above) are contained in the ***Money Laundering (Prevention) Act*** and the ***Money Laundering (Prevention) (Amendment) Act*** of 2002. This has been outlined above (see response at 2) and it is to the effect that section 11 A of the amended Act specifically provides that –

> "[w]here the Supervisory Authority has reasonable grounds for believing that the person by, for or on behalf of whom any funds are held is or may be-
>
> (a) a person who commits, attempts to commit, facilitates or participates in the commission of acts of terrorism, or who finances such acts;
>
> (b) a person controlled or owned directly or indirectly by a person in **(a)**, or
>
> (c) a person acting on behalf, or at the direction, of a person in **(a)**,

[5] Chapter 101 of the Substantive Laws of Belize, Revised Edition 2000.

the Supervisory Authority may by notice direct that those funds shall be frozen and shall not be made available to any person[6]."

If the Supervisory Authority exercises the discretion to give notice for the freezing of such funds, such notice shall be given in writing to the person holding the funds in question ("the recipient") and the recipient should immediately forward a copy of the notice to the person whose funds they are, or for or on whose behalf they are held ("the owner"). Any person by, for or on behalf of whom those funds are held is entitled to apply to the Supreme Court for the direction to be set aside.

10. To identify and investigate financial networks related to Usama Bin Laden, Al-Qaida, the Taliban or individuals, groups, undertakings and entities associated with them or who provide support to them within Belize, it was indicated earlier in the report that relevant financial institutions in addition to other Belizean authorities are notified of the most recent 1267 Committee's List.

11. The circulation of the 1267 Committee's List is critical to facilitate the location and identification of assets attributable to, or for the benefit of Usama Bin Laden, Al-Qaida, the Taliban or entities and individuals associated with them.

The ***Money Laundering (Prevention) Act*** requires that banking institutions pay special attention to all complex, unusual or large business transactions or unusual patterns of transactions, whether completed or not, to all unusual transactions, and to all insignificant but periodic transactions which have no apparent economic or lawful purpose[7].

If they suspect that any transaction could constitute or be related to money laundering, they are duty-bound to promptly inform the Supervisory Authority. If they fail to comply with the requirements of the Act, they will attract criminal sanctions.

Additionally, the ***Money Laundering (Prevention) Regulations***[8] is of key importance since the *Money Laundering (Prevention) Guidance Notes* (the Notes) for Banks and Financial Institutions, which were developed in 1998, are contained therein. These Notes were specifically designed to cover *all categories of banks licensed in Belize, all deposit-taking and lending non bank financial institutions, and trust companies*, which are referred to in the Notes as "financial institutions". Where such financial institutions have branches or

[6] For the purposes of the Act "person" means "any entity, natural or juridical, including among others, a corporation, partnership, trust, estate, joint stock company, association, syndicate, joint venture, or other unincorporated organization or group, capable of acquiring rights or entering into obligations."

[7] See s. 13 of the Money Laundering (Prevention) Act, Chapter 104 of the Substantive Laws of Belize, Revised Edition 2000.

[8] Chapter 104 of the Subsidiary Laws of Belize, Revised Edition 2003.

subsidiaries in other jurisdictions they are required to ensure that such branches or subsidiaries adhere to these Notes or to those standards prevailing in the host jurisdictions especially where they are more rigorous.

The ***Money Laundering (Prevention) Regulations*** place additional administrative duties and requirements on the financial sector which go beyond the ***Money Laundering (Prevention) Act***. In particular, the relevant financial business covered by the Regulations are defined by Regulation 4 which states that it constitutes any such business as described in the **FIRST SCHEDULE** of the Act including domestic and offshore banks, insurance companies, building societies, credit unions, trust business, money lending/pawning, money exchange houses, etc.

Knowing the customer is an important internal control; the strength of any internal control procedures to deter and detect money laundering is best measured by how well the financial institution knows with whom it is doing business. How well an employee knows its customer and how well that employee knows the financial institution's internal anti-money laundering control procedures are the most effective weapons that financial institutions have to combat money laundering.

12. In Belize, no assets have been frozen in accordance with resolutions 1455 (2003), 1267 (1999), 1333 (2001) and 1390 (2002).

13. Since no assets of listed individuals and entities had been previously frozen in Belize in accordance with resolutions 1455 (2003), 1390 (2002), 1333 (2000) and 1267 (1999), there were no funds, financial assets or economic assets to be released in accordance with resolution 1452 (2002).

14. The ***Money Laundering (Prevention) Act*** vests the Supervisory Authority with the power to freeze funds in order to give effect to relevant Security Council Resolutions.[9] As noted in our response to 11 above, the Act also requires that banks and financial institutions pay special attention to all complex, unusual or periodic transactions and patterns which have no apparent economic or lawful purpose and requires that they promptly inform the Supervisory Authority if they suspect that any transaction could constitute or be related to money laundering. Failure to comply with this requirement will make them liable to criminal sanctions.

[9] Section 23 (6) of the Money Laundering (Prevention) Act as amended.

Further, where there are reasonable grounds for believing that a person *has committed, is committing or is about to commit* a money laundering offence the Supervisory Authority or law enforcement agency can apply to a judge of the Supreme Court for a search warrant[10] or for a property tracking and monitoring order[11].

Additionally, the ***Financial Intelligence Unit Act*** provides that the Director of the said Unit can apply ***ex parte*** to a Judge in Chambers for an attachment order where the Director has reasonable grounds to suspect that a person has committed, is committing or is about to commit a financial crime[12] - and this would be without prejudice to the powers of the Supervisory Authority under the ***Money Laundering (Prevention) Act***.

For the purposes of the Financial Intelligence Unit Act, an attachment order has the effect of:

a) attach[ing] in the hands of any person named in the order all moneys and other property due or owing or belonging to or held on behalf of the suspect;

b) requir[ing] that person to declare in writing to the Director within 48 hours of service of the order, the nature and source of all moneys and other property so attached; and

c) prohibit[ing] the person from transferring, pledging or otherwise disposing of any money or other property so attached except in such manner as may be specified in the order.

Further, section 18 of the ***Money Laundering (Prevention) Act*** requires that any person leaving Belize with an amount of money exceeding twenty thousand dollars in cash or negotiable bearer instruments (in Belize currency or equivalent foreign currency) should first report the fact to the Supervisory Authority. Failure to comply attracts heavy criminal sanctions.

IV. Travel Ban

Under the sanctions regime all States are required to take measures to prevent the entry into or transit through their territories of listed individuals.

15. In Belize, the Immigration Act[13] and pertinent regulations declare the distinct points which are considered official points of entry or exit by land, sea and/or air. Each of the

[10] Section 14 of the Act.
[11] Section 15 of the Act.
[12] Under the Financial Intelligence Unit Act, a "financial Crime" is described as, *inter alia*, an offence under any of the enactments set out in the First Schedule to the Act or any subsidiary legislation made thereunder. The Money Laundering (Prevention) Act is found in the said schedule.
[13] Chapter 156 of the Laws of Belize, Revised Edition 2000.

principal points of entry has an immigration section. Some of the minor points of entry are supervised by Police Sub-stations or the Department of Customs. The Immigration Act also makes provision for the control of identity papers and travel documents. It provides that every person entering or leaving Belize must provide the immigration officer with a valid passport[14].

The travel ban is implemented administratively. The list of names with the relevant details is circulated to all the ports of entry by the Director of Immigration.

16. The names of listed individuals and relevant particulars are circulated to all ports of entry (see response at 15 above). Those names are also incorporated in an individual database which is available at the Immigrations Headquarters only.

17. Updated lists are circulated to all the ports of entry on a continuous basis - as soon as they become available. Presently, Belize does not have the capability of searching List Data at the various ports of entry. However, the Immigration authorities are very interested in establishing such a system as soon as adequate funding is made available.

18. To date, no listed individual has been stopped at any of Belize's various border points nor has any been identified as transiting through Belizean territory.

19. Consular Offices do not have "reference databases" incorporating the Consolidated List. However, Belize's overseas missions are made aware of the Consolidated List. To date, no visa applicant whose name appears on the List has been identified.

V. Arms Embargo

The Firearms Act[15] and Firearms (International Movement of Firearms, Firearms Parts, Components and Ammunition) (Control) Regulations[16] require that all importation, transit and exportation of firearms through Belizean ports and territory must be approved by the Ministry of Home Affairs, which is the ministry responsible for firearms.

Importers, exporters and shipping agents are required to furnish all relevant documents and certificates and to fill out relevant forms (provided by Belizean authorities) to the Belizean authorities for their consideration before the relevant certificate (Export Certificate, Import Certificate or Intransit Shipment Authorization Certificate) is approved to the applicant.

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[14] Under the Act "passport" *"includes a certificate of identity or a travel permit and any other documents establishing to the satisfaction of the immigration officer the nationality and identity of the person or persons to whom it refers."*

[15] Chapter 143 of the Substantive Laws of Belize, Revised Edition 2000.

[16] Chapter 143S of the Subsidiary Laws of Belize, Revised Edition 2003. This is subsidiary legislation to the Firearms Act.

Belize is not a producer or manufacturer of firearms or ammunition. The Firearms Act prohibits the manufacture of firearms or ammunition in Belize without a license.

VI. Assistance and Conclusion

Belize is unlikely to be able to provide any assistance to other States to help to implement the measures contained in Security Council Resolutions 1267 and 1455.